



## **STATEMENT FROM CHAIRMAN JUDD GREGG ON THE IMPROVING BUDGETARY OUTLOOK**

“Today’s monthly financial statement from the Treasury Department reflects an increasingly positive budgetary outlook. When Congress passed the budget resolution in April, we envisioned a \$397 billion deficit for fiscal year 2005, but strong economic growth has significantly improved that forecast. Deficit projections are now lower, with CBO estimates putting it closer to \$350 billion - 2.9% of GDP - for 2005.

“This updated forecast is evidence of effective economic policies that the President and Congress have put in place, such as the tax relief measures of 2001 and 2003. These policies have strengthened the economy, created 3.5 million jobs over the past two years, increased revenues and put us on the right track to sharply reduce the deficit in the years ahead. In addition to growing the economy, it is critical that we continue to exercise discipline in spending. Now is the time to focus on curbing the out-of-control growth in entitlements that will jeopardize the economic security of future generations.”